

# 2021 Proposed Budget Public Budget Meetings

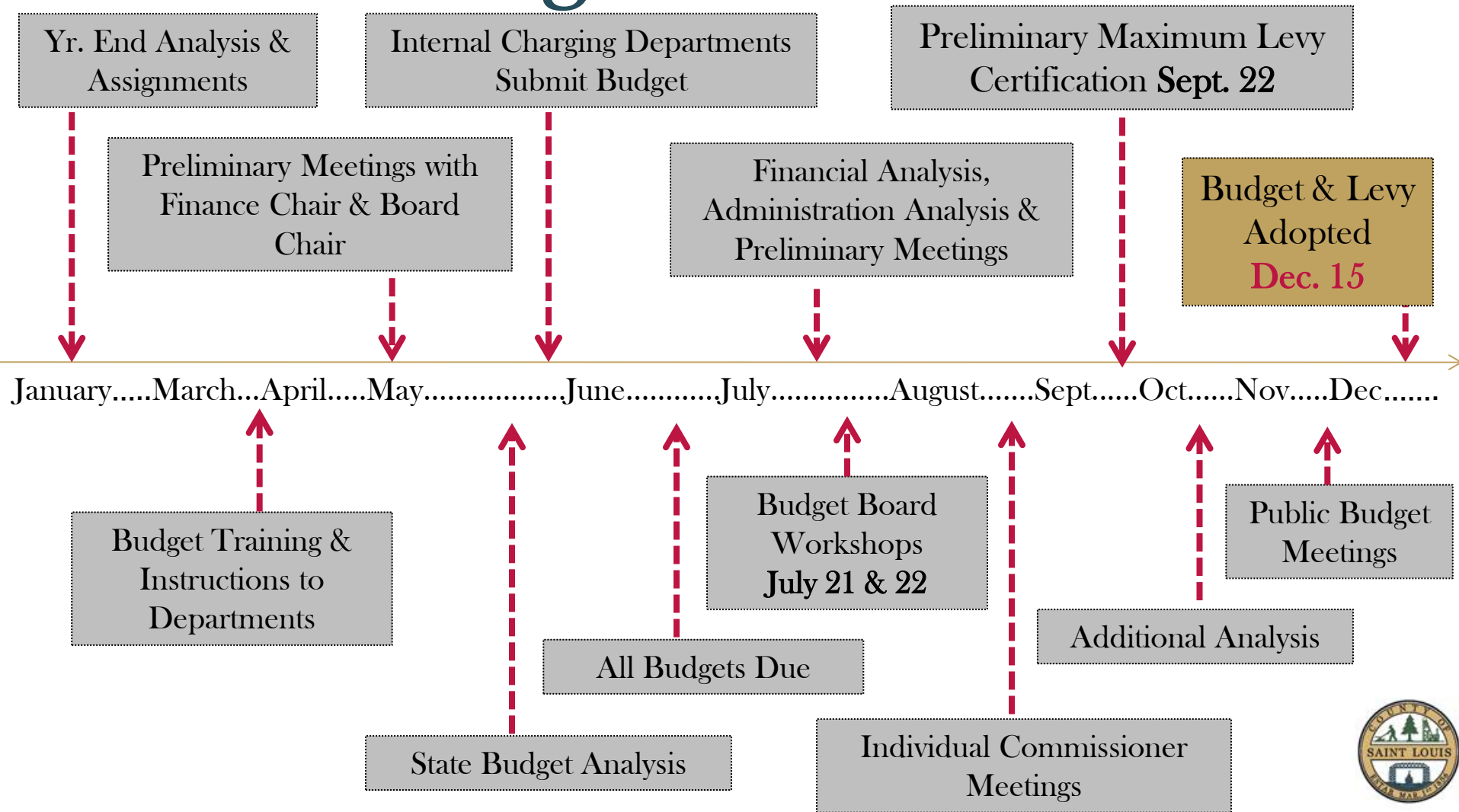
*Monday, November 23 - Virginia*

*Monday, November 30 - Duluth*



SAINT  
**LOUIS**  
**COUNTY**  
MINNESOTA

# 2021 Budget Timeline CY20



# Goals and Priorities

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**Mission:** The mission of St. Louis County is to promote health and safety, ensure sound infrastructure, embrace our natural resources, and support an environment where communities prosper.

## Strategic Focus Areas:

- Economic Development
- Substance Abuse & Mental Health



# Business Planning

## Purpose:

- Enables Administration to gain a broad view of challenges departments face, the services they provide, the populations they serve, and the potential investments that are needed
- Assists departments to get a better understanding of one another's needs and their interconnectedness
- Helps the organization as a whole gain insight into common themes and look for possible synergies, solutions, investments that have county-wide impacts
- Allows each department to re-evaluate the purpose of our work, who we serve and reassess the needs of the public and our taxpayers

**Administration is now meeting with departments to get questions answered and to put together broad themes to share with the public in early 2021.**



# COVID Considerations

Departments were significantly impacted by COVID – having to think differently about how to delivery services safely and effectively.

While there are some budgetary savings to be had, the ongoing costs are difficult to predict.

*Ongoing discussions are taking place with regard to:*

- What functions can be performed remotely on a more permanent basis
- What will the demand for services be in 2021 and beyond
- How can we best serve the community without putting our workers and the public at risk
- What can we do to keep employees and the public engaged



# 2020 CARES Funding

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## Overview...

Total Received: \$24.5M

### *Approximate Breakdown\* –*

- Small Cities & Townships = \$250k
- Community Assistance = \$3.8M
- Individual Assistance = \$300K
- Schools = \$1.8M
- Small Business Assistance = \$6.2M
- County = \$12.15M

*\*Actuals not yet finalized*

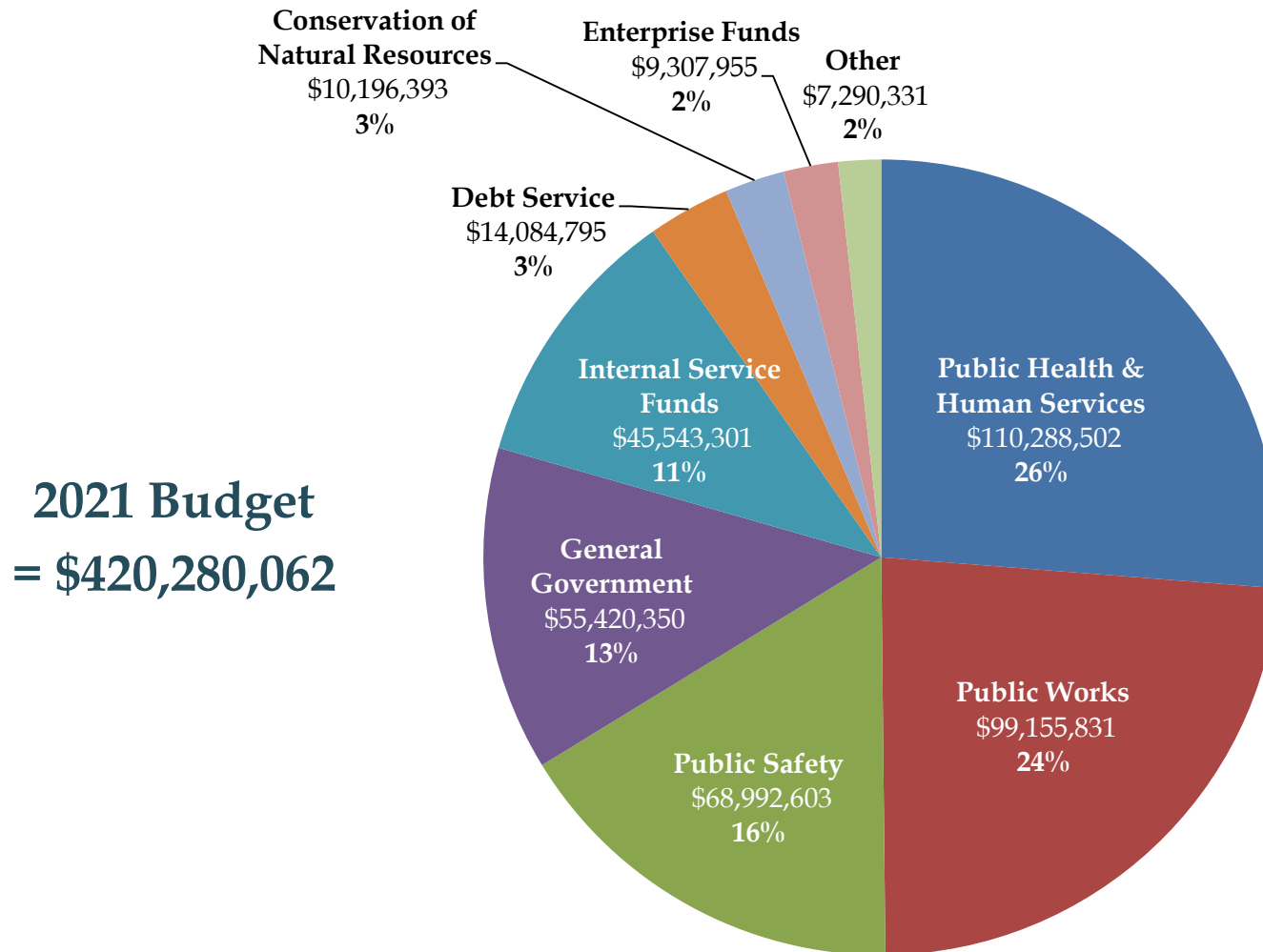


# Budget Overview

The 2021 budget acknowledges impacts of COVID-19 on St. Louis County taxpayers. The proposed levy increase is offset by property tax base growth, supporting our budget objective to minimize or reduce impacts on residences and businesses.

Outcomes	Strategies
<ul style="list-style-type: none"><li>➤ Supports vulnerable adults and children, and individuals with mental health and substance use disorders</li><li>➤ Sustains investment in economic development and technology</li><li>➤ Addresses structural changes to health care</li><li>➤ Accounts for lower investment income</li><li>➤ Honors contractual commitments</li></ul>	<ul style="list-style-type: none"><li>➤ Targets use of reserves to minimize taxpayer impacts</li><li>➤ Maintains vacancies into the future</li><li>➤ Includes a one-time hardship transfer in Public Works to help offset levy impacts</li><li>➤ Incorporates reduced travel, training and energy costs</li><li>➤ Focuses on revenue maximization and grants</li></ul>

# 2021 Investment Areas (Costs)





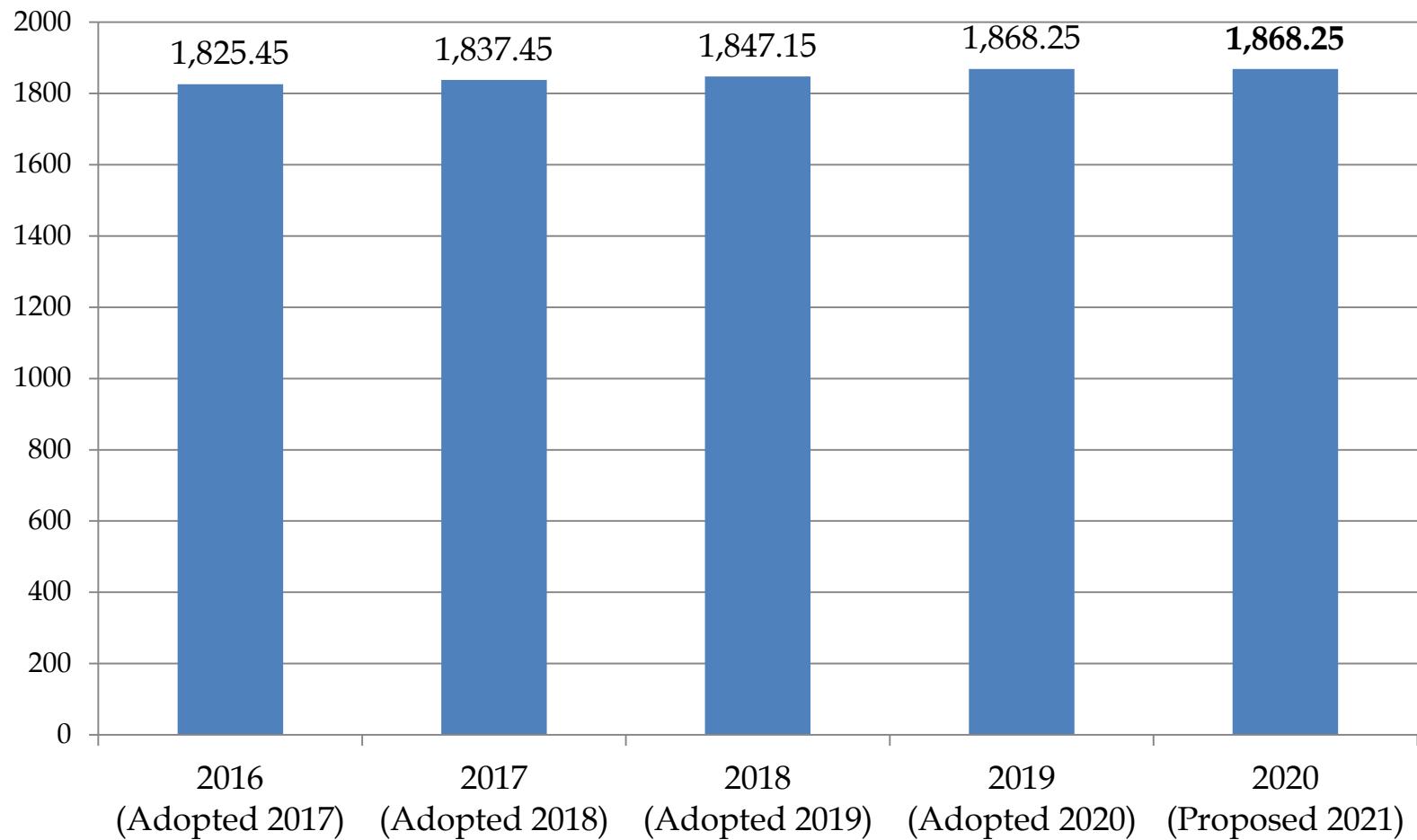
# County Expenditures Overview

Expenses	2019 Actual	2020 Adopted	2021 <i>Proposed</i>
Personnel Services	\$ 182,671,718	\$ 198,617,136	\$ 205,615,328
Materials	\$ 16,824,179	\$ 55,595,103	\$ 60,446,610
Contractual Services	\$ 54,685,097	\$ 54,277,257	\$ 56,669,277
Public Aid Assistance	\$ 36,093,892	\$ 37,499,568	\$ 36,356,882
Payment to other Agencies	\$ 19,043,142	\$ 20,251,576	\$ 20,366,721
Intra-County Services	\$ 16,142,295	\$ 17,274,432	\$ 17,269,650
Transfers Out	\$ 33,063,039	\$ 11,602,375	\$ 12,761,193
Capital Outlay	\$ 93,433,882	\$ 11,036,414	\$ 9,821,099
Other Financing Uses	\$ 998,646	\$ 1,017,300	\$ 973,300
<i>Note: Totals reflect rounding</i>	<b><u>\$ 452,955,891</u></b>	<b><u>\$ 407,171,161</u></b>	<b><u>\$ 420,280,062</u></b>

**Total Budget = \$420,280,062**



# Personnel



# *Goal #1: Public Health & Safety*

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- **Foster America Fellowship** – an 18-month fellowship to lead our work and implementation of Families First Prevention Services Act (FFPSA)
- Implemented a **3<sup>rd</sup> School Resource Officer**, and school district is now contracted to pay 50% of their 9 month salary
- Began a grant funded **DWI Officer Deputy** position with the sole focus of deterring drinking and driving on St. Louis County roads
- Added a **MAT Navigator/Program Counselor** with grant funds to help the inmates with reentry services to set them up for success when they leave our doors if possible



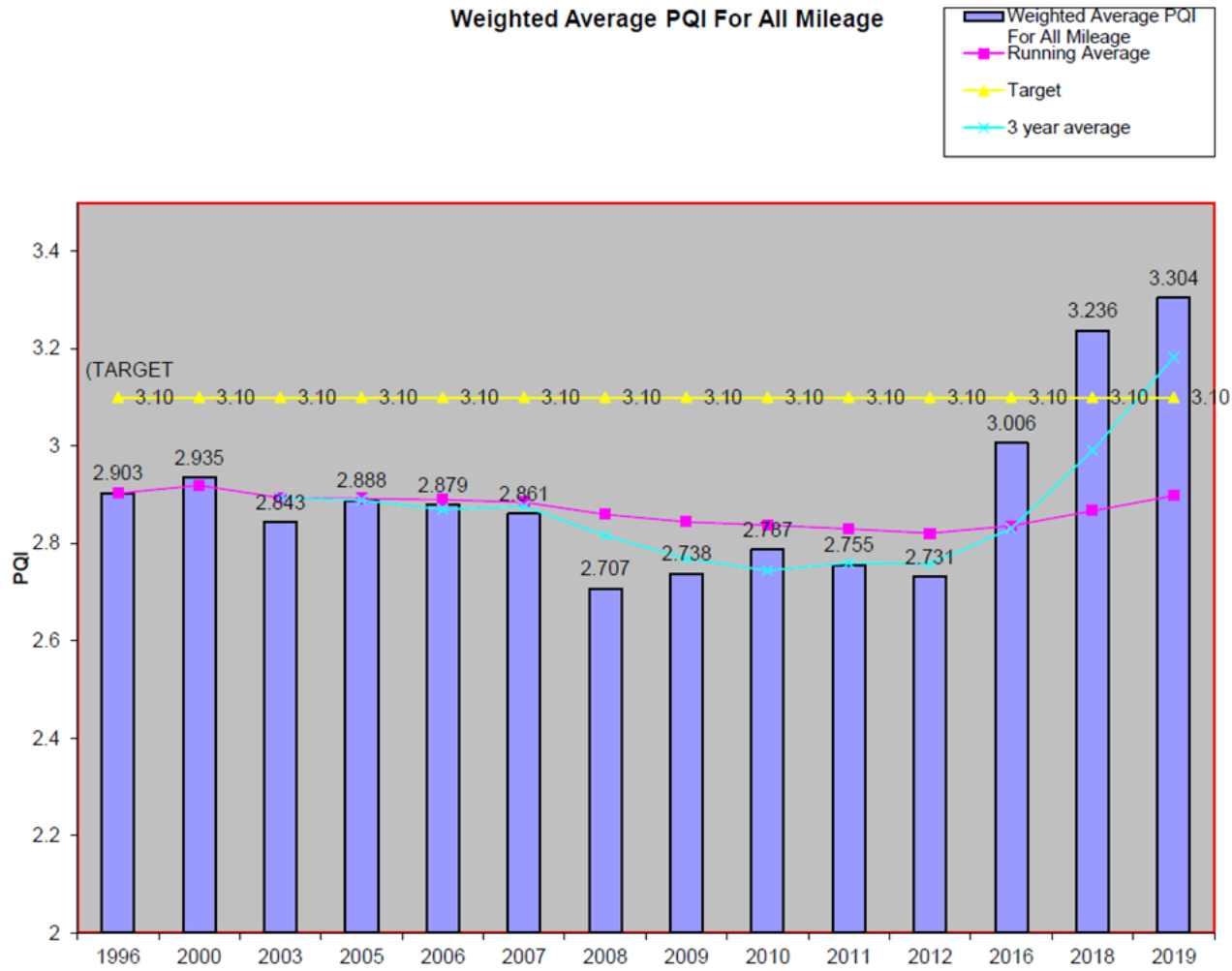
## *Goal #2: Sound County Infrastructure*

- Constructed and opened brand new **multiuse facility in Cook**
- Have used **technology and training to minimize salt costs** and increase ice control efficiency and have utilized brine systems in a few locations
- **Transportation Sales Tax bonding** has led to significant up front investment in road and bridge system
- Use of **Maximo phone application** has allowed maintenance supervisors to record work to be done while in the field
- **Gravel Road Investment Program** has improved gravel roads countywide
- Have **met and improved upon our performance measure** for pavement condition
- Have utilized various local, state and federal funding sources to **improve the bridge system** countywide
- Due to COVID-19, have **utilized technology** to implement a more mobile workforce
- **Maintaining Construction program** of over \$50M and adding TST projects



## Goal #2: Sound County Infrastructure

# Investments - Continued



# *Goal #3: Natural Resource Management*

- Utilization of the **drone** to conduct baseline gravel pit surveys and monitor small and large leases has saved staff time and improved monitoring ability to mitigate loss.
- Received a **MPCA grant** in 2019 for \$126,673 (vs. Enterprise Fund dollars) for the purchase of **larger capacity recycling roll-off containers**, resulting in reduced recycling program haulage cost by increasing tons/pull.
- Provided land at the Regional Landfill for construction of Sheriff's impound lot, ESD benefits from added law enforcement presence.
- ESD coordinates Environmental Deputy involvement in environmental investigation/enforcement activities involving Land & Minerals, Planning & Community Development, PHHS, and ESD.
- **Utilizing Public Works for road maintenance** and repair at various ESD facilities and landfill survey activities.
- Continue to assist Land & Minerals with tax forfeited property cleanups.
- As per Board Workshop discussion, moving forward with Polemonium Bog – expected to complete in 2021 – creation of credits



# Goal #4: Community Growth & Prosperity

- **GIS operations** continue to create tools for departments to more effectively and efficiently operate – including analyzing and responding to the pandemic
- New Executive Director at Depot has collaborated with tenants and other partner organization and County departments to build synergies.
- **St. Louis County Depot** was awarded \$1.5M from legislature for life safety projects.

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THE  
DEPOT

**St. Louis County Depot**

@StLouisCountyDepot · History Museum





St. Louis County, Minnesota

# 2019 POPULAR ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDING DECEMBER 31, 2019



This PAFR is designed to provide the people and business community with an overview of the financial strengths and challenges of the County. Readers of this PAFR should gain a deeper understanding of the County's financial structure of St. Louis County, the County's revenues, how dollars are used, and what the County's financial goals are.

**MISSION:** The mission of St. Louis Cour and safety, ensure sound in our natural resources, and s where communi

## What's Inside...

## PAGE 2-4 STRUCTURE

## PAGE 5-7 HIGHLIGHTS

## PAGE 8-9 FINANCIALS

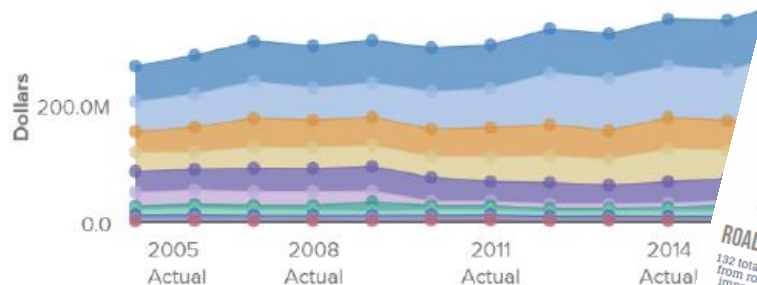
## PAGE 10 NOTABLES

- 2 - Commissioners
- 3 - Organizational Structure
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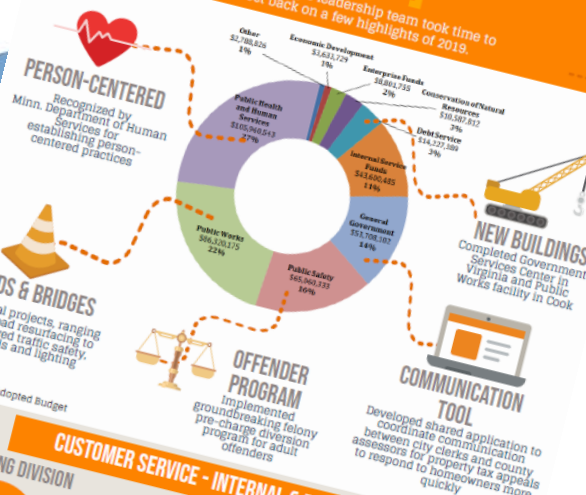
Access to the Comprehensive Annual Financial Report (CAFR) at:  
[www.stlouiscountymn.gov/budget](http://www.stlouiscountymn.gov/budget)

## Budget Explorer



# ST. LOUIS COUNTY ACCOMPLISHMENTS

St. Louis County's leadership team took time to reflect back on a few highlights of 2019.



ACCOUNTING DIVISION



2,161 of the 32,812 payment vouchers processed used the new paperless system

**CUSTOMER SERVICE - INTERNAL & EXTERNAL**



The Mall Service Center completed 122,094 transactions, an increase of over 40% over 2018.

## TAX DIVISION



7,127 mortgages were processed in 2019, compared to 8,299 mortgages in 2018



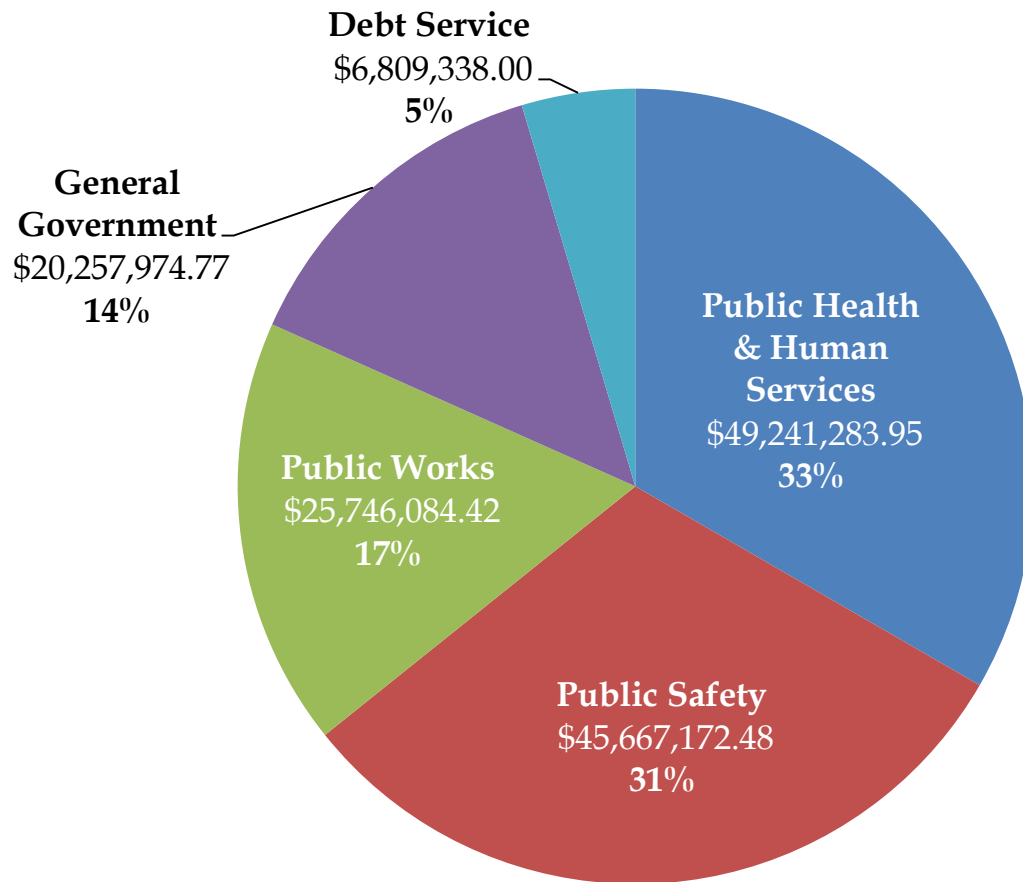
# What is the levy?

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The property tax levy is the portion of the overall budget that comes from property taxes. The total levy amount is divided among all property owners based on their property's valuation and classification.



# What do your county taxes support?



**Proposed Levy Increase:  
1.48%**

**2021 Levy  
= \$147,721,853.62**

*Vs.*

**2020 Levy  
= \$145,561,377**



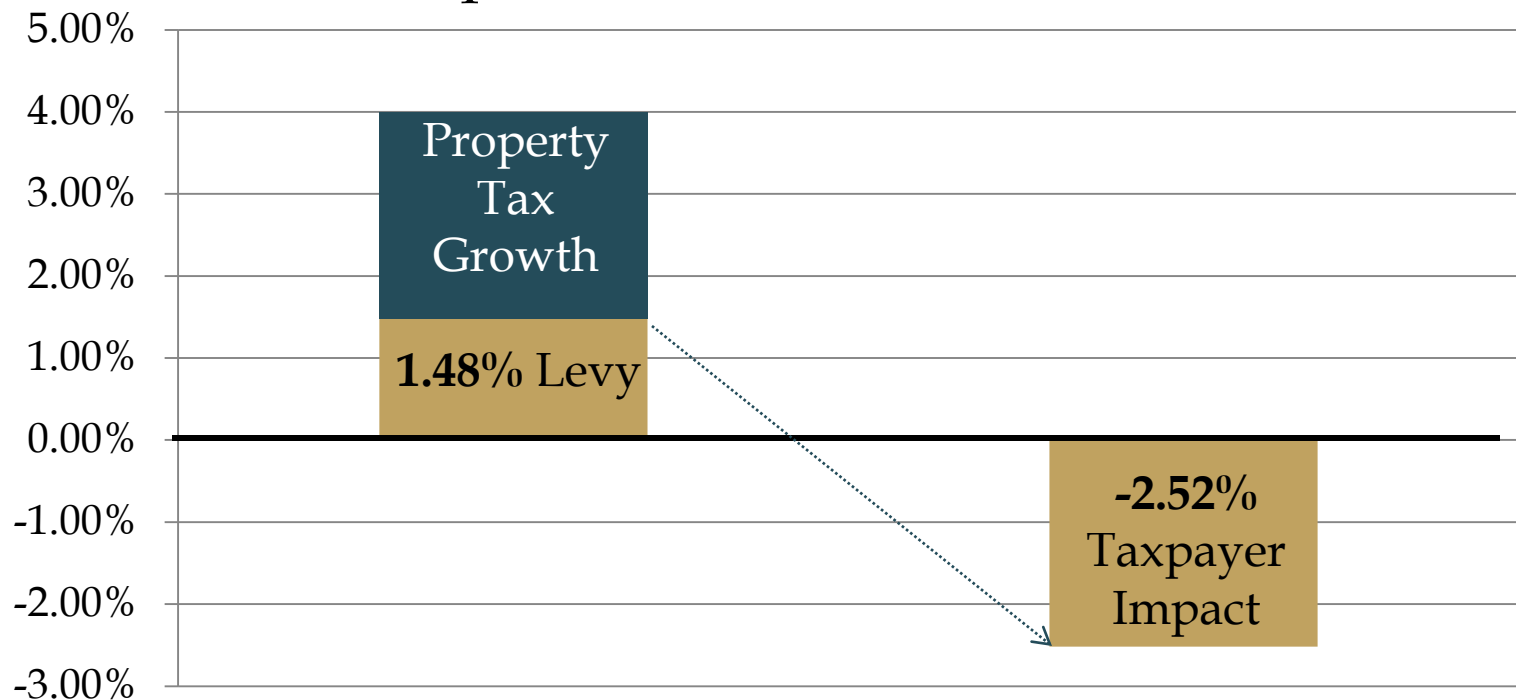
# Property Tax Base Impact

- When the property tax base grows, the levy is divided among more taxpayers, so individual property owners pay less.
- 2020 property tax base growth (*for 2021 taxes payable*) is approx. 4%, which offsets the levy increase and effectively reduces impacts to taxpayers.
- This tax growth is after the state's assessment values of utilities and railroads are taken into account.



# Estimated Taxpayer Impact

Due to property tax base growth of 4%, residents with flat valuations should see a *decrease* on the County portion of their taxes.



# County Portion Tax Impact

Below are the tax amounts and changes from 2020 to 2021 for a home valued at \$100,000.

100,000 Home Value	2020 Tax	2021 Tax	Annual Change
Ely	\$332.29	\$332.54	↑ \$0.25
Hibbing	\$324.29	\$313.82	↓ -\$10.47
Virginia	\$320.57	\$314.93	↓ -\$5.64
Duluth	\$486.30	\$475.11	↓ -\$11.19

**Note:** Due to current and pending tax court cases dealing with utility companies appealing their valuations, impacts could be slightly different.



# County Portion Tax Impact

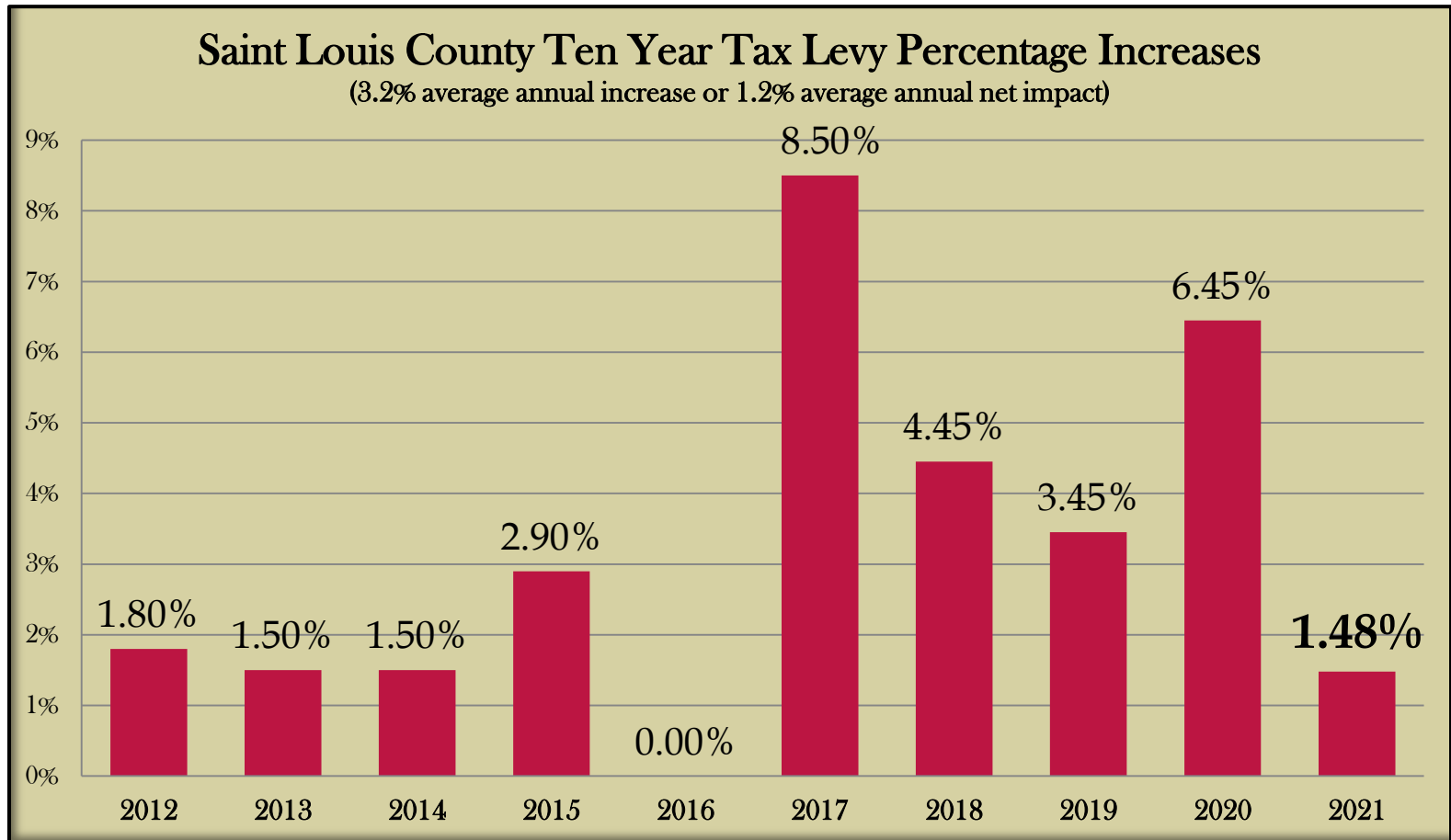
Below are the tax amounts and changes from 2020 to 2021 for a home valued at \$150,000.

150,000 Home Value	2020 Tax	2021 Tax	Annual Change
Duluth	\$855.43	\$835.74	↓ -\$19.69
Hermantown	\$895.47	\$873.49	↓ -\$21.98
Proctor	\$867.87	\$846.93	↓ -\$20.94
Rice Lake	\$890.12	\$868.03	↓ -\$22.09

**Note:** Due to current and pending tax court cases dealing with utility companies appealing their valuations, impacts could be slightly different.




# Levy History



# Important Dates

- **November 23:** Public Budget Meeting-*Virginia* at 7 p.m.
- **November 30:** Public Budget Meeting-*Duluth* at 7 p.m.  
    *-Meeting link:* Go to [www.stlouiscountymn.gov](http://www.stlouiscountymn.gov)
- **December 15:** 2021 Budget Adoption

## *Additional Information:*

- ☐ Go to [www.stlouiscountymn.gov/budget](http://www.stlouiscountymn.gov/budget)
- ☐ Sign up for St. Louis County news alerts at [www.stlouiscountymn.gov](http://www.stlouiscountymn.gov) and look for  [Subscribe to receive news releases](#)
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# Thank You

